

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

LOANS AND ADVANCES – House Building Advance -Sri M.ChennaKesava Reddy, Assistant Section Officer, Industries and Commerce Department – Sanction of House Building Advance for construction of a New House on his site measuring to 72 sq. yards in survey No.677/4, Macherla (town) in Narasarao pet Sub Division of Guntur District for an amount of Rs. 7.50 lakhs - Sanctioned – Orders – Issued.

INDUSTRIES AND COMMERCE [OP.I] DEPARTMENT
G.O.MS.No. 32 **Dated: 08-03-2016**
Read the following:-

1. G.O.Rt.No.174, Finance (A&L) Dept, dt.15.05.2010.
2. G.O.Rt.No.1756 Fin. (A&L) Dept. dt.27.05.2015.
3. G.O.Rt.No.2408 Fin. (A&L) Dept. dt.29.08.2015.
4. From Sri M.Chennakesava Reddy, A.S.O ., Ind. & Com.
Dept. application dated:01.09.2015.
5. O.O.Rt.No.168, Ind. & Com. Dept., dt:06.10.2015.

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Under Article 226 and 233-A of A.P. Financial Code Volume – I and in terms of the orders issued in the references 1st to 3rd read above, sanction is hereby accorded for an amount of Rs. 7,50,000/- (Rupees Seven Lakhs and Fifty Thousand only) to Sri M.ChennaKesava Reddy, A.S.O, Industries and Commerce Department towards House Building Advance for construction of a new house in his site measuring to 72 sq. yards in survey No.677/4, Macherla (town) in Narasarao pet Sub Division of Guntur Districtas follows:

- i) The 1st installment equal to 1/3rd of the advance sanctioned (available balance only) i.e. Rs. 1,50,000/- (Rupees one Lakh fifty thousand only) shall be paid immediately. He should mortgage the Land along with the house to be built thereon immediately in favour of Government.
 - ii) The 2nd installment equal to 1/3rd of the advance sanctioned (balance due of the first instalment plus present instalment) i.e., Rs.3,50,000/- (Rupees three Lakhsfifty thousand only) shall be paid after Mortgage of the Land and the house to be built thereon in favour of Government is executed and after the walls reach its lintel level; and
 - iii) The 3rdand final installment equal to 1/3rd of the advance sanctioned i.e. Rs. 2,50,000/- (Rupees Two Lakhs and fifty thousand only) shall be payable to the loanee after the construction of the building has reached the roof level provided the Department is satisfied that the development of the area in which the house is built is complete in respect of amenities such as water supply, lighting, roads, drainage and sewerage.
2. The grant of advance in para (1) above is subject to the following conditions:-
- i. Recovery of the advance granted for construction of new house shall commence from eighteenth month of the drawal of the first instalment or from the month following completion of the house whichever is earlier. The advance shall be recoverable from the pay of the individual in number of instalments and rates as follows:-

Date of Retirement	<u>Mode of Recovery</u>	
	Principle	Interest
30.06.2041	In 180 monthly installments. (i.e., first instalment @Rs.4,465/- and the balance 179 instalments @4,165/- p.m.	5.50% per annum in 36 monthly installments

(P.T.O)

- ii. The entire amount of interest will be recovered after completion of Principle amount.
 - iii. Interest @ 5.50% per annum shall be charged on the advance sanctioned and interest as calculated by the Accountant General, Andhra Pradesh.
 - iv. For misuse of the loan amount and non-observance of the HBA rules penal interest at 1 ½ times the normal rate shall levied.
3. The grant of the advance is also subject to the following further conditions:
- a) The construction of the house shall be carried out exactly in accordance with the approved plan with specifications.
 - (b) The loanee should insure the house immediately on completion of construction, at her own cost for a sum not less than the amount of the advance with interest due thereon and shall keep the house so insured against damages by fire, flood, cyclones and lightning year after year for a sum not less than the balance amount of loan together with interest due thereon is fully repaid to Government and deposit the policy with the Government.
 - (c) The loanee should maintain the house in good repairs at her own cost and she shall continue to pay all Municipal Taxes and local taxes regularly until the advance with interest due thereon has been repaid in full.
 - (d) The construction should be completed within 18 months of the date on which the first installment is drawn by the loanee.
 - (e) The loanee shall keep the building free from all encumbrances;
 - (f) The insurance policy should be forwarded through the Pay and Accounts Officer/Accountant General for deposit with Government together with the letter in the form prescribed addressed to the Insurance Company that the Government are interested in the policies secured.
 - (g) The loanee should repay the entire amount together with interest by the time of her retirement, failing which her pension and DCRG will not be released.
4. The advance shall be drawn from the Head of Account “7610-Loans to Government Servants – M.H.201-House Building Advance – S.H.-05-Loans to other officers – 001 Loans to other Officers and be met from the allotment made by the Finance (A&L) Department in the reference 1st read above.
5. This order does not require the concurrence of Finance Department as per the orders in force.

M.GIRIJA SANKAR,
SECRETARY TO GOVERNMENT & CIP (FAC)

To
Sri M.Chennakesava Reddy, Assistant Section Officer, I& C Dept.
The Industries & Commerce [OP.Claims] Department.
The Dy. Pay and Accounts Officer, Secretariat Branch, Hyderabad.
The Accountant General, A.P., Hyderabad.
The Finance [A&L] Department.
SF/SC

//FORWARDED BY ORDER//

SECTION OFFICER